GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:9
ANSWERED ON:15.11.2007
PRICE HIKE OF PETROLEUM PRODUCTS
Verma Shri Ravi Prakash;Yadav Shri Kailash Nath Singh

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government propose to hike the prices of Gas and other petroleum products;

(b) if so, the details thereof;

(c) whether the prices of crude oil have been increased at the international level;

(d) if so, the number of times the said hike has been made;

(e) whether the production of oil in the country is below its target; and

(f) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA)

(a) to (f): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (f) of Lok Sabha Starred Question No.9 by Shri Kailash Nath Singh Yadav and Shri Ravi Prakash Verma to be answered on 15th November, 2007 regarding price hike of petroleum products.

(a)to(d): As regards pricing of sensitive petroleum products namely petrol, diesel, PDS Kerosene and gas (Domestic LPG), Government has been taking all possible measures to ensure that there is no hardship to the common man. The Government has adopted the principle of equitable burden sharing to protect the interest of common man and vulnerable sections of society. The Government is closely monitoring the international oil prices and will continue to protect the interests of consumers.

The global prices of crude oil and petroleum products have remained high and volatile. The price of crude oil fluctuates in the international market on daily basis. The trend in the international oil prices since April'07 is given below:

	Crude oil (Indian Basket) $/bbl	Petrol $/bbl	Diesel $/bbl
Apr'07	65.52	82.69	77.50
May'07	65.74	87.96	78.79
Jun'07	68.19	83.82	79.09
Jul'07	72.69	84.36	82.86
Aug'07	69.03	76.05	79.95
Sept'07	74.83	81.35	88.02
Oct'07	79.33	87.46	92.62

Despite increase in the international oil prices, the Government has not increased the retail selling prices of sensitive petroleum products namely petrol, diesel, PDS Kerosene and Domestic LPG. On the basis of softening in international oil prices during the second half of 2006-07, the prices of petrol and diesel were reduced on 30.11.2006 and again reduced on 16.2.2007. The reduction was Rs.2/litre and Re.1/litre for petrol and diesel respectively on each occasion (Delhi price).

(e)&(f): The domestic crude oil production during 2006-07 was 33.988 MMT as against the target/projection of 35.540 MMT in the country.